the Finance Bill, 2003 and thereafter. Small power loom weavers, having an annual turnover of Rs. 35 lakhs, have been given excise duty exemption on the first clearance of Rs.25 lakhs during the year vide notification No. 35/2003-CE, dated 30.4.2003. Similarly, small garment manufacturers, having an annual turnover of Rs. 40 lakhs have been given excise duty exemption on the first clearance of Rs. 30 lakhs during the year vide notification No. 34/2003-Central Excise, dated 30.4.2003.

FDI limit in private sector banks

2237. SHRI GAYA SINGH:
SHRI V.V. RAGHAVAN:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to raise Foreign Direct Investment (FDI) limit in private sector banks to 74 per cent from the present 49 per cent; and

(b) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Government have taken an in principle decision to enhance the limit on Foreign Direct Investment in banking companies to facilitate setting up of subsidiaries by foreign banks and to invite investment in private sector banks. Modalities for implementing the decision are being worked out and executive instructions are expected to issue thereafter.

Increased market borrowing of States

2238. SHRI B.J. PANDA: Will the Minister of FINANCE be pleased to state:

(a) whether RBI has cautioned States on increased market borrowings;

(b) whether RBI has issued certain guidelines to control expenditure, contain debt and evolve a better cash management system, if so, the details thereof; and